

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA CITY COUNCIL
HELD AT CITY HALL
APRIL 17, 2012
7:00 P.M.**

I. CALL TO ORDER

Mayor Hovland called the meeting to order at 7:05 p.m.

II. ROLL CALL

Answering rollcall were Members Bennett, Brindle, Sprague, Swenson and Mayor Hovland.

III. MEETING AGENDA APPROVED

Member Sprague made a motion, seconded by Member Bennett, approving the meeting agenda as amended to add Item V.B. Arbor Day Proclamation.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV. CONSENT AGENDA ADOPTED

Member Swenson made a motion, seconded by Member Sprague, approving the consent agenda as revised to remove Items IV.E. 2012 Commodities Purchase – Sand, Rock, Bituminous Materials, Concrete and Water Treatment Chemicals, IV.F. Request to Purchase, Contract No. ENG 12-3 Countryside Neighborhood Reconstruction, IV.G. Resolution No. 2012-61, Setting May 15, 2012, Hearing Date for Bike Boulevard Improvement BA-238, IV.H. Resolution No. 2012-63, Cable TV Franchise Extension, as follows:

IV.A. Approve regular and work session meeting minutes of April 3, 2012

IV.B. Receive payment of the following claims as shown in detail on the Check Register dated April 5, 2012, and consisting of 30 pages; General Fund \$140,104.80; Police Special Revenue \$38,922.40; City Hall Debt Service \$900.00; Working Capital Fund \$335,989.38; Equipment Replacement Fund \$304,380.09; Construction Fund \$862.54; Art Center Fund \$963.41; Golf Dome Fund \$1,469.99; Aquatic Center Fund \$451.10; Golf Course Fund \$42,814.76; Ice Arena Fund \$1,696.59; Edinborough Park Fund \$13,788.72; Centennial Lakes Park Fund (\$54.79); Liquor Fund \$234,497.14; Utility Fund \$102,651.03; Storm Sewer Fund \$43,040.12; PSTF Agency Fund \$4,204.49; TOTAL \$1,266,681.77 and for approval of payment of claims dated April 12, 2012, and consisting of 31 pages; General Fund \$162,809.68; Working Capital Fund \$27,647.51; Equipment Replacement Fund \$2,461.02; Art Center Fund \$1,044.26;

Golf Dome Fund \$150.00; Aquatic Center Fund \$908.40; Golf Course Fund \$29,820.11; Ice Arena Fund \$23,835.14; Edinborough Park Fund \$6,512.65; Centennial Lakes Park Fund \$2,807.81; Liquor Fund \$399,145.47; Utility Fund \$39,722.04; Storm Sewer Fund \$742.98; PSTF Agency Fund \$5,920.21; Payroll Fund \$3,385.50; TOTAL \$706,912.78.

IV.C. Adopt Resolution No. 2012-57 Redistricting Corrections

IV.D. Public Meeting and Religious Observances Policy/City Council Meeting Date Change

~~IV.E. 2012 Commodities Purchase – Sand, Rock, Bituminous Materials, Concrete and Water Treatment Chemicals.~~

~~IV.F. Request to Purchase, Contract No. ENG 12-3 Countryside Neighborhood Reconstruction~~

~~IV.G. Resolution No. 2012-61, Setting May 15, 2012, Hearing Date for Bike Boulevard Improvement BA-238~~

~~IV.H. Resolution No. 2012-63, Cable TV Franchise Extension~~

IV.I. Resolution No. 2012-64, Setting May 15, 2012, Hearing Date for Gallagher Drive Roadway and Nine Mile Creek Regional Improvements, Imp. BA-382

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

ITEMS REMOVED FROM THE CONSENT AGENDA

IV.E. 2012 COMMODITIES PURCHASE – SAND, ROCK, BITUMINOUS MATERIALS, CONCRETE AND WATER TREATMENT CHEMICALS – APPROVED

Engineer Houle advised the nine commodities that received no bids would be purchased through the State contract or bid separately. **Member Brindle made a motion, seconded by Member Swenson, approving commodities purchase – Sand, Rock, Bituminous Materials, Concrete and Water Treatment Chemicals** awarding the bid for 2012 Commodities Purchase for sand, rock, bituminous, materials, concrete, water treatment chemicals, and hydrants to the recommended low bidders as follows: coarse washed sand (delivered) to SA-AG at \$8.50 per ton; coarse washed sand (picked up) NO BID; Cl. 2 Limestone (delivered) NO BID; Cl. 2 Limestone (picked up) NO BID; FA-2 seal coat chips (delivered) NO BID; FA-2 seal coat chips (picked up) NO BID; *SWPEA340B MnDOT Non-Wear Spec 2360 to CS McCrossan (picked up) at \$54.50 per ton; *SPNWB330B MnDOT Wear Spec 2360 to CS McCrossan (picked up) at \$50.00 per ton; *SPWEB340B MnDOT Wear Spec 2360 to CS McCrossan (picked up) at \$50.00 per ton; delivered concrete 3+ yards to AVR, Inc. at \$114.00 per cubic yard; delivered concrete 1-3 yards to AVR, Inc. at \$104.00 per cubic yard; emulsified asphalt CRS-2 NO BID; Emulsified Asphalt CRS-2P NO BID; emulsified tack Oil NO BID; crack joint sealer #3725 NO BID; hydrofluosilicic acid to Hawkins, Inc. at \$31.64 per CWT; liquid chlorine to Hawkins, Inc. at \$34.66 per CWT; water treatment chemical (poly) to Hawkins, Inc. at \$5.90 per gallon; Tonkazorb 3% to Hawkins, Inc. at \$9.17 per gallon; caustic soda to Hawkins, Inc. at

\$27.00 per CWT; red ball aggregate (delivered) NO BID; red ball aggregate (picked up) NO BID; lannon stone wall repair to Blackstone Contractors at \$24.00 SF; sanitary sewer R1733 cover complete NO BID; storm sewer rnd. R2548 NO BID; storm sewer rect. 3067V NO BID; curb box NO BID. (*These items are awarded on basis of total cost per ton including trucking and labor, and past year's performance.)

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV.F. REQUEST TO PURCHASE, CONTRACT NO. ENG 12-3 COUNTRYSIDE NEIGHBORHOOD RECONSTRUCTION – APPROVED

Mr. Houle advised of reductions that might result in decreased assessments. **Member Sprague made a motion, seconded by Member Swenson, approving Request to Purchase, Contract No. ENG 12-3 Countryside Neighborhood Reconstruction, awarding the bid to the recommended low bidder, Palda & Sons, Inc. at \$2,275,770.53.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV.G. RESOLUTION NO. 2012-61, SETTING MAY 15, 2012, HEARING DATE FOR BIKE BOULEVARD IMPROVEMENT BA-238 – ADOPTED

Member Brindle introduced and moved adoption of Resolution No. 2012-61, Setting May 15, 2012, Hearing Date for Bike Boulevard Improvement BA-238. Member Sprague seconded the motion.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV.H. RESOLUTION NO. 2012-63, CABLE TV FRANCHISE EXTENSION – ADOPTED

Brian Groegen, Moss & Barnett, counsel for Southwest Cable Commission, advised the intent was for all terms to remain the same but for extending the expiration date to July 31, 2012. **Mayor Hovland introduced and moved adoption of Resolution No. 2012-63, Cable TV Franchise Extension amending Section 2 to indicate, “Except as specifically modified hereby, all terms and conditions of the franchise agreement will remain in full force and effect.” Member Sprague seconded the motion.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

V. SPECIAL RECOGNITIONS AND PRESENTATIONS

V.A. RESOLUTION NO. 2012-60 ADOPTED – RECOGNIZING FOREIGN EXCHANGE STUDENTS

Mayor Hovland read the resolution in full. **Member Bennett introduced and moved adoption of Resolution No. 2012-60, Recognizing Youth Exchange Students.** Member Sprague seconded the motion.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

Heather Haen Anderson, Executive Director of Connecting with Kids, invited inbound and outbound students to step forward. Inbound students from Norway, Sweden, Ecuador, Germany, China, and Korea, introduced themselves and described their best experience in the United States so far. Outbound students to Japan, Thailand, and Italy introduced themselves and described what they hoped to learn during their time abroad.

V.B. ARBOR DAY PROCLAIMED

Mayor Hovland read in full a proclamation declaring April 27, 2012, to be Arbor Day in the City of Edina. **Member Brindle made a motion, seconded by Member Bennett, approving Arbor Day Proclamation.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VI. PUBLIC HEARINGS HELD – Affidavits of Notice presented and ordered placed on file.

VI.A. GRANDVIEW DISTRICT DEVELOPMENT FRAMEWORK – ADOPTED

Kevin Staunton, Grandview District Small Area Plan Steering and Executive Committee Chair, thanked Steering Committee members, staff members and consultants for their dedication and the Metropolitan Council for its contribution to fund process. He presented an overview of the Grandview District Development Framework produced by the Steering Committee after two years of work. Mr. Staunton advised of the area comprised by the Grandview District, two phased community-led processes, and substance of the framework. He described three points the Committee envisioned: 1. create a place with a unique identity; 2. completely rethink and reorganize the transportation infrastructure; and, 3. leverage public resources to make incremental value-creating changes that enhance the public realm and encourage voluntary private development consistent with the vision. Mr. Staunton clarified that the framework provided broad direction rather than detailed requirements and was intended to be a vision of the future rather than a blueprint. He concluded his remarks by presenting an epilogue of supplemental information since the framework was completed.

Mayor Hovland opened the public hearing at 8:00 p.m.

Public Testimony

David Davison, 6716 Gallaway Drive, addressed the Council.

Jeanette Klauder, 5029 Oxford Avenue, addressed the Council.

Kim Montgomery, 5300 Evanswood Lane, addressed the Council.

Gene Persha, 6917 Cornelia Drive, addressed the Council.

Tom Bonneville, 4378 Browndale Avenue, addressed the Council.

Art Heiam, 5205 Richwood Drive, addressed the Council.

Bill McReavy, Washburn-McReavy Funeral Chapels, Vernon and Highway 100, addressed the Council.

Member Swenson made a motion, seconded by Member Sprague, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

The Council addressed the issues raised during public testimony, noting the intent was not to remove parking or force redevelopment of private land. Council consensus was reached on the following: Planning Commission to address zoning use changes; Park Board to address community needs, use of public spaces and civic building programming, which would drive building design; and, Transportation Commission to address signalization at Interlachen and Vernon Avenue, bicycle and pedestrian options, need for a better pedestrian crossing of Vernon Avenue from west to east, and potential of a park and ride facility to address challenges for those using the bus. The Council acknowledged work remained on these areas including the need to address impacts to the Comprehensive Plan and Guide Plan and to conduct a survey on how well this process had worked. Member Bennett expressed concern that although some Steering Committee members favored allowing taller buildings to be built in the District, the public had not been invited to comment on taller building heights during the public comment period and that all of the images presented to the public during the comment period had

depicted building heights of six stories or less, consistent with the existing Comprehensive Plan. The Council extended its appreciation to Steering Committee members for their contribution. **Member Sprague made a motion, seconded by Member Swenson, adopting the Grandview District Development Framework as recommended by the Grandview Steering Committee and Planning Commission.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VI.B. CONSIDERING MODIFICATIONS TO SOUTHEAST EDINA REDEVELOPMENT DISTRICT AND ESTABLISHING SOUTHDALE 2 TAX INCREMENT FINANCING DISTRICT, CONSIDERING APPROVAL OF SOUTHDALE LIMITED PARTNERSHIP BUSINESS SUBSIDY AND PROPOSED SPENDING PLAN FOR CENTENNIAL LAKES TIF FINANCING DISTRICT – RESOLUTION NO. 2012-58, RESOLUTION NO. 2012-66, AND RESOLUTION NO. 2012-67 ADOPTED

Manager Neal reviewed the Council's past consideration of the Southdale Tax Increment Financing (TIF) agreement and consensus reached to direct staff to determine options and possible outcomes if the City decided to play a role to revitalize Southdale Center. Mr. Neal described staff's efforts to draft and negotiate terms of an incentive package with Simon Properties and to create a development agreement and TIF Plan that addressed security of the agreement with desired outcomes.

Mark Ruff, Ehlers and Associates, summarized the request of Simon Properties for the City to consider a \$5 million loan for common (not leaseholder) improvements to the Southdale Center facility. This \$5 million loan would leverage \$10 million of Simon Properties money through a competitive process to finance improvements that would increase the value of the mall. The Council considered this loan would be repaid at 0% interest and up to \$250,000 would be forgiven if a transit easement was granted to Metro Transit satisfactory to the City. Mr. Ruff indicated the net loan to Simon would be \$4.75 million with repayments starting in 2014 at \$400,000 and increasing by 2021 to \$750,000. If the market value increased above current levels, a portion of the property taxes would be captured through TIF and redirected toward the City to offset loan payments. Mr. Ruff advised of the recent legislative change that created the ability for a 9-year TIF District for retail projects. He indicated the agreement provided surety should Simon Properties spend less than \$14 million on improvements, no City assistance would be provided. City source of funds would be from the Centennial Lakes TIF District and repaid to that District.

Mr. Ruff advised that payments would be secured from a renewable letter of credit so the City would be protected by a third party. Once the loan was paid back, the City could reuse that money for other projects. He described how tax increment could be used to achieve certain goals, eligible uses, and significant limitations. Mr. Ruff presented the findings that without this \$5 million loan, Simon Properties would not put the additional \$10 million equity into the project and the value of the mall and surrounding areas would not increase.

Member Bennett asked how this loan was not considered a grant if the increased valuation would be captured to repay part or the entire loan. Mr. Ruff concurred it could be considered a grant since some of the principal would be offset from dollars derived from tax increments. However, the increase in value would not occur but for this investment. Mr. Ruff advised that an independent examination of Simon Properties' financial statements had not been conducted and staff had taken the information provided indicating it would be less than Simon Properties' return on investment goals at face value. Staff found Simon Properties would not be unduly compensated based on this information. Member Bennett noted some of the funds would be used to add plumbing for a new food kiosk and to refurbish restrooms.

The Council discussed the limited projects eligible for tax increment and acknowledged if the valuation (increment) increased for Southdale Center, it could be a catalyst for additional redevelopment of surrounding properties. Mr. Ruff advised that over the last five years, the value of Southdale Center had dropped by 32%. Parcels subject to the agreement had a market value of \$112,647,600 and the agreement sets a floor at \$110 million so Simon Properties could not continue to protest taxes in the future.

Jay Lindgren, Dorsey & Whitney, City bond counsel, advised of the loan security provided if the tax increment generated from the parcels of land was insufficient, noting an evergreen letter of credit, and a private promise provided by the Simon entity, would make up the shortfall. Thus, during the eight-year period of repayments, the City would always have a promise from a bank for the payment. Should the building be sold, the loan had to be repaid. Mr. Lindgren addressed loan security "burn off" and proposal by Simon that the evergreen letter of credit would no longer be required should there be enough tax increment to make payment for 1.5 times the maximum debt service.

Mr. Lindgren addressed the issue of getting clear rights to a public transit easement, noting the new agreement says a transit easement would be delivered to the City and allowed the City to assign rights and responsibilities of the easement to the Metropolitan Council as the transit operator. This transit easement would remain for as long as the center was used as a regional mall. If the redevelopment agreement was approved, a final version of the transit easement had to be signed and recorded against the property within 120 days, well in advance of construction completion and granting of the loan proceeds. If the transit easement was not recorded, the City had the right to not forgive the \$250,000 or to not make the \$5 million loan. Mr. Lindgren concluded his remarks by presenting Exhibit B and statutory compliance requirements for annual reporting.

The Council acknowledged that Southdale Center Mall was the most vital piece of retail property in Edina and the \$5 million loan was a creative method to create a catalytic affect with respect to area properties, resulting in incremental property value increases that would be captured to

repay the \$250,000 “forgiveness” on the public transit easement. It was noted the agreement also allowed the City to put a water treatment facility on the property.

Adam Harrington, Metro Transit, stated he was happy to have a permanent location within reasonable walking distance of mall doors and to make connection to other routes, resulting in a strong asset to tie together Southdale, the park and ride, and other retail facilities.

Member Bennett noted the agreement indicated the transit station would not remain if Southdale Center was no longer a mall so it was not a “permanent” transit station. Mr. Harrington stated that was correct and Metro Transit looked at Southdale Center as a regional destination that drew users for their services so if it transferred into some other use, Metro Transit would have to do something different. Member Bennett cited information provided at the Town Hall Meeting on April 14 that more than half of the transit users at Southdale did not enter Southdale Center, indicating that the station was important to many who did not work or shop at Southdale.

Bill Hammer, Simon Properties Group, current owner of Southdale Center, stated Simon had been privileged to work with staff and consultants for the past year and were grateful for assistance being considered. He indicated Southdale had a long history, being one of the first indoor malls in the country, and Simon had come to realize it was a “jewel” within its portfolio of holdings even during this uncertain time for retail. With regard to the potential construction of rental apartment units in the southeast corner of the property, Mr. Hammer indicated it was being considered and the City had provided positive feedback on that option. It was anticipated that discussion would continue with development groups and Simon Properties hoped to have an interesting proposal for the development of that corner. Mr. Hammer stated the enhancement of Southdale Center made it even more desirable for other retailers as well as residential developers.

Mayor Hovland opened the public hearing at 9:59 p.m.

Public Testimony

Janey Westin, 6136 Brookview Avenue, addressed the Council.

Mr. Neal referenced the Hennepin County memorandum outlining its finding that this district satisfies the preference of the County Commissioners for use of tax increment financing because of its focus on redevelopment projects and creation of employment.

Member Swenson made a motion, seconded by Member Sprague, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

Mr. Ruff advised the school districts had requested a presentation outlining the agreement, which had been delivered.

Member Sprague introduced and moved adoption of Resolution No. 2012-58, adopting a modification to the redevelopment plan for the Southeast Edina Redevelopment Project Area; and establishing the Southdale 2 Tax Increment Financing District therein and adopting a Tax Increment Financing Plan therefore; Resolution No. 2012-66, approving a spending plan for the Centennial Lakes Tax Increment District; and, Resolution No. 2012-67, authorizing an interfund loan for advance of certain costs in connection with the Southdale 2 Tax Increment Financing District, and authorizing the Mayor and City Manager to execute a redevelopment agreement. Member Brindle seconded the motion.

Member Bennett acknowledged the importance of Southdale Center and community concern about what would happen with Southdale. She indicated she appreciated how hard people had worked on this agreement; however, her responsibility was to Edina's taxpayers and she did not find the use of the proposed loan a public purpose. Member Bennett reviewed other projects in the City's Capital Improvement Program which had been identified as eligible to be funded with TIF dollars, noted the transit station was of a temporal nature, and indicated she could not support the motion.

Member Swenson stated her vote of support was based on a resolution with Metro Transit including the transit hub as part of the agreement.

The Council indicated it would be remiss to not address the decline of Southdale Center, since it was a major concern expressed in the most recent resident survey. It was noted the proposed agreement was beneficial to both sides, allowed the City to catalyze private equity of Simon Properties, created direct benefits of employment, long-term improvement to attract tenants/increase occupancy, thus increasing property values that would increase tax revenue and benefit citizens. The Council found Simon Properties' financial means and proven record of accomplishment would mitigate the City's risk.

Ayes: Brindle, Sprague, Swenson, Hovland

Nays: Bennett

Motion carried.

VI.C. 50TH & FRANCE PARKING STRUCTURES AND STREETScape IMPROVEMENTS NOS. A-242, P-21, AND P-22 – PUBLIC HEARING AND RESOLUTION NO. 2012-65 CONTINUED TO MAY 1, 2012

Mr. Houle presented the proposed improvement project to update the 50th and France parking structures and streetscape within the project area. He advised of deteriorated paver condition and need to update landscaping, install new irrigation to tree wells/landscape areas, and install seasonal lighting (if grant funding was received). It was proposed to add a vehicle counting and guidance system to all three parking ramps, tear down the middle ramp and rebuild a new 6-level middle ramp with two-way traffic, and restore the south ramp to include two pedestrian elevators, enhanced façade at the France Avenue pedestrian alley, remodel the solid waste room, structural restoration, relighting, and replace the internal drain system. The south ramp would have a total of 399 parking stalls. Mr. Houle displayed exterior elevations, noting the Planning Commission would conduct a project hearing and possibly a concept plan review.

Mr. Houle presented the following project costs: streetscape improvements of \$619,858; parking structure improvements of \$10,275,000; and, project soft costs of \$1,075,000 for a total project cost of \$11,969,858. Project funding was proposed to be special assessments to the 50th and France Business Association maintenance area (assessable square feet of 355,953) in the amount of \$33.628 per square foot. It was noted the project cost does not include the cost of bonds and interest to borrow money during the construction phase.

Mr. Houle described four funding options: 1) City General Obligation (GO) Bonds only. Current market rates for 15 year debt were about 2.5% and 20-year debt were about 3%; 2) City GO Bond and a zero percent loan from the Centennial Lakes TIF District with the TIF repaid faster than the GO Bond to enable TIF dollars to be spent on other activities in the City earlier. The payments on the GO Bonds were interest only until zero percent loan was repaid; 3) City GO Bond and a zero percent loan from the Centennial Lakes TIF District amortized equally. This option yields the most proceeds for the project but it does delay the return of TIF to the Centennial Lakes TIF District for up to 20 years; or, 4) An internal loan or a mixture of loan and grant from the TIF District. A discussion on what interest rate charged, if any, would be necessary before these options were considered.

Mr. Houle presented the project schedule, noting there would be no construction during holiday shopping (mid-October to January) or the Art Fair. Construction of the ramps would be phased to minimize loss of parking spaces during construction. Off-site shuttling of employees would be provided during the demolition and construction of the middle ramp. If the Council approved the project tonight, it would be considered by the Planning Commission on May 23, considered by the City Council on June 5, bid opening on July 24, award of contract on August 7, construction start late summer of 2012, construction completion late summer of 2014, and final assessment hearing in October of 2014. Mr. Houle introduced the project team should the Council have questions.

Scott Froemming, Walker Parking Consultants, stated the project team had considered the option of below-grade construction, noting the typical cost for above grade parking was \$14,000 to \$15,000 per stall and below grade was \$25,000 per stall. Constructing a below grade parking tier would increase project costs by several hundred thousand to one million dollars.

The Council discussed the proposed project and asked questions of the project team relating to phased construction, how the project would be marketed to reduce business interruption, and recommendation to not extend a parking structure over the surface lot. Mr. Houle presented the enhanced façade to the pedestrian area and crosswalk and indicated the project team had not considered improvements to the walkway between France Avenue and the ramp since it had new pavers and was not part of this plan. Due to the high level of foot traffic, the Council requested staff consider some enhancements as part of this project.

Mr. Froemming estimated eight months of construction with partial occupancy in seven months. However, if the parking structure includes a below ground level, it might add a month and one-half to the timing.

The Council indicated it found the proposed “skin” of the middle ramp to be far too ponderous and asked staff to include lighter, more artistic elements as well as a “skin” on the south side of the south lot to provide screening.

Stephen M. Oliver, Mohagen Hansen Architectural Group, indicated the intent was to quantify a level of quality; however, the parking ramp “skin” could take on many different configurations. The Council supported obtaining input and recommendations from the Planning Commission on design elements and from the property owners since the project would be assessed. Mr. Oliver presented the south ramp and options considered with the addition to develop a new façade to conceal original construction and a portion of the east face. However, the project team determined it would be better to shift those dollars to the middle ramp and open more public parking in the south ramp. Mr. Oliver estimated \$200,000 to \$250,000 to “skin” the south face of the south parking ramp. Mr. Houle displayed options the project team had considered for the south face. Mr. Oliver estimated, with the proposed project, the useful life of the south ramp would be enhanced to at least 30 years.

Mayor Hovland opened the public hearing at 11:06 p.m.

Public Testimony

Hosmer Brown, 8100 Russell Avenue South, Bloomington, addressed the Council.

Dyan Harlem, 4075 West 51st Street, Unit 404, addressed the Council.

Gene Haugland, 5229 West Highwood Drive, addressed the Council.

Lyndon Dean, 4075 West 51st Street, Unit 211, addressed the Council.

Tom Nelson, 2112 Kenwood Parkway, Minneapolis, representing the Eberhardt Building, addressed the Council.

James Widtfeldt, 4075 West 51th Street, Unit 101, addressed the Council.

Klaus Freyinger, owner of Chico's corner, addressed the Council.

Daniel Engelsma, 5000 France Avenue, Unit 31, addressed the Council.

Mitchel Wherley, 5070 Highview Place, Greenwood, owner of LaMontague, addressed the Council.

Dick Curtin, 6310 McIntyre Point, owner of the Salut building, addressed the Council.

Rachel Hubbard, 50th & France Business & Professional Association, addressed the Council.

Member Swenson made a motion, seconded by Member Brindle, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

The Council discussed the issues raised during public testimony. It was noted the study identified the need for an additional 247 stalls; five levels of parking would gain 160 stalls; and, six levels of parking would gain 258 stalls. The Council discussed its support of the proposed project to meet the identified parking needs and asked questions of staff. Concern was expressed relating to the light/shadow impact of a six-story height (as raised by Eberhardt) and

support was expressed for six levels of parking, but not all above ground even if it would increase project costs and the construction timeline. The Council acknowledged that extending the south ramp towards the Lanterns was not cost effective. The Council discussed financing of the project and whether the city might consider some level of City cost participation in skinning of the south ramp (since the ramps are city owned) and in the added cost of constructing one parking level below grade.

Mr. Neal indicated staff had not considered any City cost participation and recommended continuing this discussion to allow time for staff to address that issue and other items raised by Council. The Council indicated its intent to assure the project would not destroy Edina's charming downtown character. Staff was asked to also provide additional information on financing sequence and whether other communities had undertaken a similar project through a City/business partnership. **Member Sprague made a motion, seconded by Member Bennett, tabling indefinitely consideration of Resolution No. 2012-65, receiving feasibility study and ordering improvement for 50th and France parking structures and streetscape improvements, Improvement Nos. A-242, P-21, and P-22, and continuing discussion to the May 1, 2012, Work Session.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VI.D. PRELIMINARY PLAT WITH LOT AREA AND LOT WIDTH VARIANCES, 6120 BROOKVIEW AVENUE, JMS CUSTOM HOMES – PUBLIC HEARING AND RESOLUTION NO. 2012-62 CONTINUED TOMAY 1, 2012

Planning Director Presentation

Mr. Teague presented the request by JMS Custom Homes for preliminary plat with lot area and lot width variances to accommodate the construction of a new home and the recommendation of staff and the Planning Commission for denial based on the determination that variance findings were not met.

Proponent Presentation

Jeff Schoenwetter, representing JMS Custom Homes, indicated JMS had made reasonable assumptions several years ago based on this site containing two platted lots with two utility services. He stated JMS was Edina's number one permitted builder in 2012 with over 25 projects, reviewed its commitment and support of Edina, and presented a list of homes that JMS had completed. Mr. Schoenwetter stated the Fairfax plat was recorded in 1924, evolved in the 1950s, and was now undergoing a transformation. He pointed out that 85.7% of the homes in the Fairfax plat were on 50-foot lots, which supported the JMS application to subdivide and construct an infill, right-sized single-family home on a 50-foot lot. Mr. Schoenwetter noted that within the block of the subject site, there was only one natural big lot (Lots 7, 8, and portion of Lot 9 owned by the Whitbecks), and Lots 10 and 11 to the south evolved into a large lot but

were not a natural lot of the plat. Due to the late hour and technical inability to present the proponent's videos, Mr. Schoenwetter requested a continuance.

Mr. Teague advised the 120-day requirement expired on May 15, 2012. Attorney Knutson recommended Mr. Schoenwetter sign a letter requesting a continuance. Member Bennett advised she would not be present at the May 15, 2012, Council meeting. The Council agreed to consider a continuation to May 1, 2012. Mr. Schoenwetter stated he would sign and submit a letter requesting continuance to May 1, 2012, as drafted by Mr. Knutson.

Mayor Hovland opened the public hearing at 12:25 a.m. and indicated the Council's intention to continue the public hearing to May 1, 2012, when public input would again be received.

Public Testimony

Janey Westin, 6136 Brookview Avenue, addressed the Council.

Jackie Whitbeck, 6128 Brookview Avenue, addressed the Council.

Dick Whitbeck, 6128 Brookview Avenue, addressed the Council.

Member Sprague made a motion, seconded by Member Bennett, tabling indefinitely consideration of Resolution No. 2012-62, regarding the 6120 Brookview Avenue subdivision request, continuing the public hearing, and scheduling it as the first public hearing on May 1, 2012.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VII. COMMUNITY COMMENT

No one appeared to comment.

VIII. REPORTS / RECOMMENDATIONS

VIII.A. RESOLUTION NO. 2012-59 ADOPTED – ACCEPTING VARIOUS DONATIONS

Mayor Hovland explained that in order to comply with State Statutes; all donations to the City must be adopted by Resolution and approved by four favorable votes of the Council accepting

the donations. **Member Bennett introduced and moved adoption of Resolution No. 2012-59 accepting various donations.** Member Swenson seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IX. CORRESPONDENCE AND PETITIONS – Mayor Hovland acknowledged the Council’s receipt of various correspondence.

X. MAYOR AND COUNCIL COMMENTS – Received

XI. MANAGER’S COMMENTS – Received

XII. ADJOURNMENT

There being no further business on the Council Agenda, Mayor Hovland declared the meeting adjourned at 12:50 a.m., April 18, 2012.

Respectfully submitted,

Debra A. Mangen, City Clerk

Minutes approved by Edina City Council, May 1, 2012.

James B. Hovland, Mayor

Video Copy of the April 17, 2012, meeting available.